

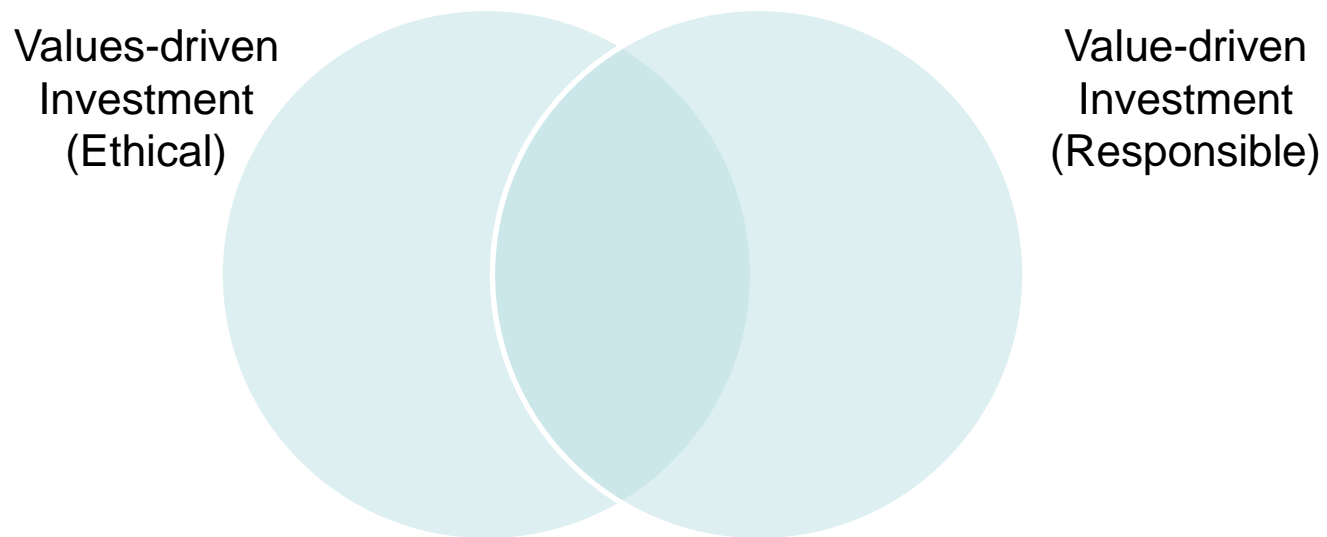
Can investments and new business models help prevent chronic diseases?

EPHA Annual Conference 7th Sept 2017
Brussels

Katie Gordon
Director, Responsible Investment and Stewardship, CCLA



Ethical and Responsible Investment



Different drivers, but shared priorities and complementary techniques

Economics of Obesity

Direct costs

- *Global* - Total global economic impact of obesity is about \$2trn/yr, 2.8% of world GDP, Nov 14 McKinsey Global Institute (MGI)
- *UK* - The combined annual direct costs of treating overweight, obese and diabetes patients is 14% of NHS budget.

Indirect costs (reduced productivity)

- Global: Morgan Stanley - reduced workforce and lower productivity (via early death, poorer performance at work) can significantly affect economic growth relative to baseline projections

18% average drag on OECD forecasts to 2035

- UK: McKinsey Global Institute analysed the indirect cost, through loss in employee productivity in the UK, to be £7bn per annum, of which....

£5bn comes from decreased productivity rather than absenteeism

This makes obesity a long-term risk for all companies

Obesity – Civil Society Drivers (UK)



- Action on Sugar – Sugar report
- Jamie Oliver Foundation – Sugar Rush
- Change for Life app (actually Public Health England)
- Oxford London Lecture: “Knowledge, nudge and nanny: opportunities to improve the nation’s diet” (17/3/15)
- Wellcome Trust – Our Planet, Our Health, The Crunch
- Economist Intelligence Unit corporate data gathering
- Lancet Series on Obesity
- ICCR/PRI webinar on nutrition (12/3/15)
- BMA – Food For Thought
- Obesity Health Alliance
- Food Standards Agency – Our Future Food
- EAT – Stockholm food forum



“Windfall taxes are designed to ensure that society has the correct reflection of its values in the way that tax is raised. It is a feature of tobacco as well as fizzy drinks and fast food.”

**James Bevan, CIO CCLA
24/9/14 Radio 4**

Does society really need these products?



Donut burger
Greene King Hungry Horse

2,000 calories



Hot mulled fruit drink
Starbucks

25 teaspoons of sugar

CCLA engagement - Obesity

One on One



Collaboration – ATNI*



Disclosures

We do not represent that this information, including any third party information, is accurate or complete and it should not be relied upon as such. Opinions expressed herein are subject to change without notice.

The services described are provided by CCLA Fund Managers Limited (CCLA), a firm authorised and regulated by the Financial Conduct Authority. This document is issued for information purposes only and is not a solicitation to buy or sell any investment. Nothing in the document should be deemed to constitute the provision of financial, investment or other professional advice.

Past performance is not an indication of future performance. Values of investments, and any income derived from them, may fall as well as rise and you may not get back the amount you invested. Exchange rate changes may have an adverse effect on the value, price or income of investments. The levels and bases of, and relief from, taxation may change. You should obtain tax advice where appropriate before proceeding with any investment. Investments in higher yielding bonds issued by borrowers with lower credit ratings may result in a greater risk of default and have a negative impact on income and capital value. Income payments may constitute a return of capital in whole or in part. Income may be achieved by foregoing future capital growth. There may be additional risks associated with investment in emerging and developing markets.

Where reference is made to COIF Funds CCLA Fund Managers Limited is the appointed Manager and these may be Unregulated Collective Investment Schemes. The Funds may deal infrequently and may limit redemption. Share values may reflect fluctuations in property and share prices. Fund charges may be applied to capital which may result in capital erosion.

Any forward-looking statements are based upon our current opinions, expectations and projections. We undertake no obligation to update or revise these. Actual results could differ materially from those anticipated.

CCLA

Senator House
85 Queen Victoria Street
London EC4V 4ET

www.ccla.co.uk